

REVENUE COMPONENTS OF HOUSE OFFER ON WELFARE REFORM

FISCAL YEARS 1989-1993
(Millions of Dollars)

	<u>FY 1989-1993</u>
A. IRS Debt Collection.....	2,000
B. Child Care Proposals	
1. Phase out dependent care credit for AGI between \$100,000 and \$128,500	351
2. Provide that the credit and the dependent care exclusion are available only with respect to children under the age of 13	375
3. (a) The dollar limitations on expenses eligible for the the exclusion would be reduced to the limitations on expenses eligible for the credit and (b) a taxpayer's limit on expenses eligible for the credit would be reduced by the amount of expenses excluded from that person's income under the exclusion	170
4. As a condition of allowing to a taxpayer the credit or exclusion, the valid taxpayer identi- fication number of the service provider would be required to be reported to the IRS	624
C. Business expenses incurred under nonaccountable plan treated as miscellaneous itemized deduction	350
D. Disallow deductions for expenditures in connection with illegal activities	<10 per year
GRAND TOTAL	3,870

Joint Committee on Taxation
August 5, 1988
JCX-22-88

